



City of Marietta

Meeting Minutes

BOARD OF LIGHTS AND WATER

205 Lawrence Street
Post Office Box 609
Marietta, Georgia 30061

William B. Dunaway, Chairman
James W. King, Vice Chairman
Bruce E. Coyle, Resident Member
Charles L. "Chuck" George, Resident Member
Arthur D. Vaughn, Resident Member
Harlon D. Crimm, Non-Resident Member
Alice Summerour, Non-Resident Member

Monday, July 11, 2005

12:00 PM

BLW Admin.-2nd Floor Board Room

Presiding: William B. Dunaway

Present: Arthur D. Vaughn, Bruce E. Coyle, Harlon D. Crimm, James W. King, Alice Summerour and Charles L. "Chuck" George

Also Present:

Philip M. Goldstein, Council - Ward 7

William F. Bruton, Jr., City Manager

Robert Lewis, Board Manager

J. Kevin Moore, Board Attorney

Stephanie Guy, Deputy Board Clerk

CALL TO ORDER AND ROLL CALL:

Chairman William B. Dunaway called the meeting to order at 12:09 p.m.

I. MINUTES:

20050806 Regular Meeting - June 8, 2005

Review and approval of the June 8, 2005 regular meeting minutes.

A motion was made by Board member King, seconded by Board member Summerour, that this matter be Approved. The motion carried by the following vote:

Vote: 5 - 0 - 1

Approved

Abstain: 1 - Bruce E. Coyle

Absent: Arthur D. Vaughn

II. APPOINTMENTS/PRESENTATIONS:

III. APPEARANCES:

IV. BLW OPERATING DEPARTMENTS:

Customer Care:

Electrical:

Marketing:

Internal Services:

20050740 Power Sales Negotiations

Update on power sales negotiations with Sylvania and Colquitt County.

John Kane, Senior Utility Analyst reported that John Giles, Senior Regional Manager of the Municipal Electric Authority of Georgia (MEAG) is assisting Marietta Power in power sales negotiations with Sylvania and Colquitt County. Both deals would be multi-year agreements for 10 megawatts of power each; however, the arrangement with Colquitt would be a co-op with several other MEAG cities.

This matter was Reported.

20050754 Board Strategic Objective 4B, Fiduciary Responsibility

Follow up on Board Strategic Business Plan Objective 4B, Fiduciary Responsibility, which provides for the development of forecasts and a workable business model to be used for future financial planning.

Herb Edwards, Internal Services Director, presented a power point presentation regarding enhancements that are in process, emerging issues, and implications for other tasks. The most important objective is to create a detailed inventory and depreciation worksheet in order to establish revenue requirement policies.

This matter was Reported.

20050816 Historic Patterns of Key Business Indicators

Report on the historic patterns of key business indicators.

Herb Edwards, Internal Services Director, presented a power point presentation regarding key business indicators such as customer growth, sales and revenue per customer, operating expenses per customer and capital investments per customer.

This matter was Reported.

Water & Sewer:**20050755 Easements/ Whitlock Avenue Water Main Replacement and Rottenwood Basin Sewer Rehabilitation**

Motion to approve easements for the Whitlock Avenue Water Main Replacement and the Rottenwood Basin Sewer Rehabilitation (Little John, Tuxedo) Projects as presented.

Bob Snelson, Water & Sewer Director requested approval of the required easements for the Whitlock Ave Water Main Replacement and Rottenwood Basin Sewer Rehab. (Little John, Tuxedo) Projects as follows:

Whitlock Ave Water Main Replacement

<i>Eckerd #023R</i>	<i>856 SF Perm.</i>	<i>\$1.00</i>
<i>Main Street Bank</i>	<i>3,147 SF Perm.</i>	<i>\$1.00</i>

Rottenwood Basin Sewer Rehab (Little John, Tuxedo)

<i>Aaron Swanier</i>	<i>1177 SF Perm. / 1362 SF Temp.</i>	<i>\$1.00</i>
<i>Marianne Giesecke</i>	<i>2491 SF Perm. / 5028 SF Temp.</i>	<i>\$2,000.00</i>
<i>Claire A. Tregone</i>	<i>106 SF Perm. / 165 SF Temp.</i>	<i>\$1.00</i>
<i>Jo Ann Smith</i>	<i>496 SF Perm. / 586 SF Temp.</i>	<i>\$1.00</i>
<i>Mary C. Bickley</i>	<i>229 SF Perm. / 35 SF Temp.</i>	<i>\$1.00</i>
<i>Darrell Anne Driskill</i>	<i>0 SF Perm. / 190 SF Temp.</i>	<i>\$1.00</i>
<i>Kevin O. Shalloe</i>	<i>229 SF Perm. / 1223 SF Temp.</i>	<i>\$1.00</i>
<i>Tim Nagrosst</i>	<i>305 SF Perm. / 496 SF Temp.</i>	<i>\$1.00</i>
<i>Bruce J. Williams</i>	<i>0 SF Perm. / 22 SF Temp.</i>	<i>\$1.00</i>
<i>James H. Bastian III</i>	<i>1369 SF Perm. / 2343 SF Temp.</i>	<i>\$3,000.00</i>
<i>Andrew W. Tice</i>	<i>0 SF Perm. / 520 SF Temp.</i>	<i>\$1.00</i>
<i>Richard N. Wright</i>	<i>1504 SF Perm. / 2750 SF Temp.</i>	<i>\$1.00</i>
<i>John S. Burdian</i>	<i>504 SF Perm. / 718 SF Temp.</i>	<i>\$1.00</i>
<i>Laura M. Leveille</i>	<i>444 SF Perm. / 496 SF Temp.</i>	<i>\$1.00</i>
<i>Anthony F. Sellman</i>	<i>2124 SF Perm. / 3651 SF Temp.</i>	<i>\$600.00</i>
<i>Valerie Segraves</i>	<i>7 SF Perm. / 0 SF Temp.</i>	<i>\$1.00</i>
<i>Joseph Carter and Allison Brantley</i>	<i>1441 SF Perm.</i>	
	<i>2736 SF Temp.</i>	<i>\$1.00</i>
<i>Nan B. O'Brien</i>	<i>183 SF Perm. / 233 SF Temp.</i>	<i>\$1.00</i>
<i>Mark Hylbak</i>	<i>498 SF Perm. / 70 SF Temp.</i>	<i>\$1.00</i>
<i>Joseph Cruz, Jr.</i>	<i>72 SF Perm. / 434 SF Temp.</i>	<i>\$1.00</i>

A motion was made by Board member King, seconded by Board member Crimm, that this matter be Approved. The motion carried by the following vote:

Vote: 7 - 0 - 0

Approved

V. CENTRALIZED SUPPORT:

Finance:

20050822 Finance Reports for June 2005

Review of the Finance Reports for June 2005.

Finance Director Monte Vavra reported on the financial reports for June 2005. The total charges for services for the month were \$9,511,000, with a year-to-date amount of \$111,866,000. This is an increase 4.6% over last year's amount of \$106,932,000. The profit and loss statement shows the total cost of sales for the year was \$68,275,000, as compared to \$69,929,125 last year this was a 2.3 % reduction. Income from operations was at a loss of (\$281,820) with a year-to-date amount

of \$15,489,000 as compared to \$10,130,000 one year ago. The cash flow statement shows a net cash inflow of \$6,591,000 year-to-date compared to \$2.1 million one year ago.

This matter was Reported.

Management Information Systems:

VI. COMMITTEE REPORTS:

VII. CHAIRPERSON'S REPORT:

VIII. BOARD ATTORNEY'S REPORT:

IX. BOARD MANAGER'S REPORT:

20050699 Recognition of former mayor Ansley Meaders

Resolution honoring the service of former mayor Ansley Meaders as the Board of Lights and Water Chairperson.

Chairman Dunaway read the resolution honoring Ansley L. Meaders who served as Mayor of the City of Marietta and the Chairman of the Board of Lights and Water from July 1, 1993 to December 31, 2001. The Board united in tribute to Ansley Meaders in gratitude for her selfless and tireless efforts on behalf of all the citizens of Marietta.

This matter was Read.

Board Manager Bob Lewis introduced several new members of the Marketing Department. Amber Vaccaro has been working as a Marketing Representative for the past year and filled in for Ron Mull today. Blair Fowler, a senior at Auburn, is an intern who has been with the department for a little over a month. Also, Barry Echols from Savannah Electric has just been hired as the Marketing Director.

20050756 Board Strategic Business Plan/ Fiduciary Responsibility and Reserve Policy

Deliverables for Board Strategic Plan 2005 Objective 4A and update on Reserve Policy.

Bob Lewis reported on the development and implementation of written policies governing the financial management. These policies cover such areas as revenue requirements, reserves, debt, rates and charges for service.

This matter was Reported.

20050758 Lease Agreement/ American Fiber Systems (AFS)

Discussion regarding the American Fiber Systems' (AFS) Lease Agreement.

Discussion was held regarding the lease agreement with American Fiber Systems (AFS) and how to satisfy the need for additional office space for both the Board of Lights and Water (BLW) and AFS.

Bob Lewis outlined the proposal stating that AFS would vacate the second floor of the BLW Administration building and move to office space on Franklin Road. They would only retain space on the first floor of the administration building and pay BLW the same amount, contingent upon BLW waiving the rent for eighteen months and giving another two-year option for leasing the first floor. This would allow new employees for the BLW to remain under one roof instead of renovating one of the other buildings to create space.

A motion was made by Board member Dunaway, seconded by Board member Coyle to authorize the Board manager and Board Attorney to seek a written agreement with American Fiber Systems to be brought back for approval.

Mr. Lewis mentioned that a written agreement has been reached and presented a draft copy for review. Also, AFS has agreed to vacate the second floor by September 1, 2005, which would solve the problem of accommodating new BLW employees.

Board member Dunaway withdrew the motion.

Board Attorney Kevin Moore explained that since a written agreement has been presented, an action item should be placed on the agenda for board approval.

A motion was made by Board member Vaughn, seconded by Board member Coyle, to add a motion to approve the Lease Agreement with American Fiber Systems (AFS) to the agenda. The motion carried by the following vote:

7 - 0 - 0

Approved

20050758 Lease Agreement/ American Fiber Systems (AFS)

Motion to approve the American Fiber Systems' (AFS) Lease Agreement.

Discussion was held regarding the proposed lease agreement presented and the rental rate listed for the additional two-year option requested by American Fiber Systems (AFS).

Motion to approve the Lease Agreement for American Fiber Systems (AFS) as presented with an amendment to paragraph three adding language that further clarifies the rental rate of the first option to renew and paragraph four to show the rental rate of the new option period to be \$15 per square foot.

Further discussion was held regarding the next course of action if AFS does not agree to the amended terms of the lease agreement. It was the consensus of the board that a special meeting would be called after new stipulations were agreed upon.

The motion was made by Board member Coyle, seconded by Chairman Dunaway, that this matter be Discussed. The motion carried by the following vote:

Vote: 6 - 1 - 0

Discussed

Vote Against: 1 - James W. King

20050817

American Fiber Systems (AFS) Pre-Payment Proposal

Action concerning the American Fiber Systems (AFS) Pre-Payment Proposal.

Board Manager Bob Lewis presented a request from American Fiber Systems (AFS) for BLW to pre-pay for telecom services that would be provided. There would be no discount offers or provisions made for unsatisfactory service.

Motion to deny the American Fiber Systems (AFS) Pre-Payment Proposal.

A motion was made by Board member King, seconded by Board member Vaughn, that this matter be Denied. The motion carried by the following vote:

Vote: 7 - 0 - 0

Denied

20050818

MEAG Telecom and Georgia Public Web (GPW) Board Elections

Report on the Municipal Electric Authority of Georgia (MEAG) Telecom and Georgia Public Web (GPW) Board elections.

Motion to nominate John Kane, Senior Utility Analyst, for the Municipal Electric Authority (MEAG) Telecom Committee and the Georgia Public Web (GPW) Board.

The motion was made by Board member King, seconded by Board member Coyle, that this matter be Approved. The motion carried by the following vote:

Vote: 7 - 0 - 0

Approved

X. OTHER BUSINESS:

XI. EXECUTIVE SESSION (at the Board's discretion):

20050807

Executive Session

Motion to enter an Executive Session to discuss legal, real estate and/or personnel matters.

The Executive Session was Not Held.

ADJOURNMENT:

The meeting was adjourned at 2:02 p.m.

Approved by City Council:

Date: July 13, 2005

William B. Dunaway, Mayor

Attest: _____
Shelia R. Hill, City Clerk

Approved by Board of Lights and Water:

Date: _____

William B. Dunaway, Chairman

Attest: _____
Shelia R. Hill, Board Clerk